(c) whether any inquiry has been conducted by Government into the matter on the basis of the report of the Surveyors; and

(d) if so, what is the outcome thereof stating the action taken by Government in the matter ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) to (d) The Surveyors who had been appointed by MMTC for their North Delhi Godown had reported against the employees and handling agent in the godown. The complaints were of a general nature except one where it was alleged that two zinc slabs were stolen. MMTC had enquired into the matter through its vigilance division and found that the two pieces alleged to have been stolen were actually lying in the godown but had got mixed up with other stacks. Since no shortage was found, question of taking any action against anyone does not arise.

Improvement of Tourism facilities at Ooty, Kodaikanal and Yercard

331. SHRI M. VINCENT : Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that the Tamil Nadu Tourism Development Corporation had requested the Central Government for improving facilities by adding 30 new boats each at Ooty, Kodaikanal and Yercard; and

(b) if so, what action has been taken by the Central Government thereon ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) Yes, Sir.

(b) Due to late receipt of the proposal from State Government, it could not be included for financial assistance during current annual plan. However, it would be considered subject to its merit inter-se-priorities and availability of funds during next financial year.

Losses suffered by the ITDC Hotels

332. SHRI BASUDEV MOHAPATRA : Will the Minister of TOURISM be pleased to state:

(a) the total number of hotels functioning under the India Tourism Development Corporation in the country at present;

(b) whether these hotels are running on profits or losses during the last three financial years; and

(c) what procedure is adopted for the selection of the members of the Board of Directors of these hotels ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) ITDC at present owns and operates 25 hotels in the country.

(b) Profit/loss of the ITDC hotels during the last 3 years and during the current year (upto Jan. 90) is given in Annexure [*See* Appendix No. CLIII Annexnre No. 9].

(c) There is no separate Board of Directors for the hotels of ITDC. However, ITDC has a Board of Directors for the Corporation as a whole. The Directors are appointed by the Government in accordance with the Articles of Association of ITDC.

Elections to the Metropolitan Council in Delhi

333. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Election Com-

mission has fixed any dates for elections to the Metropolitan Council in Delhi; and

(b) if so, what are the details in this regard ?

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI) : (a) No, Sir.

(b) Does not arise.

US action under Super 301

334. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of COMMERCE be pleased to state the steps that have been taken so far to counter the U.S. action under Super 301 ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : A Statement is attached.

Statement

Under the "Super 301" provision of the US Omnibus Trade and Competitiveness Act of 1989, the US Government is required to identify 'priority practices' of foreign countries whose elimination was likely to have the most significant potential to increase US exports. Taking into account the number and pervasiveness of these trade practices, the US Government is also required to identify priority foreign countries for initiating investigation to determine whether the practices were actionable under Section 301.

On 25 May, 1989, the US Government identified India, Brazil and Japan as priority foreign countries for action under the Act. The priority practices identified in respect of India are trade-related investment measures that prohibit or burden investment and barriers to trade in services, specifically the closure of India's insurance market to foreign insurance companies. On 16 June, 1989, the US Trade Representative initiated investigation of the priority practices in order to determine whether they are actionable under Section 301 of the Trade Act. According to the provisions of the Act, the determination of unfairness of the practices is to be made generally within 12 months after the date on which the investigation has been initiated.

Even before the identification of priority countries by the US Government under the Super 301 provisions, we had joined many other countries in strong condemnation of the proposed US action. However, the initiation of investigations by the US Government does not constitute an actual violation of its international obligations towards India. Hence, no formal legal proceeding has been initiated so far in GATT. Nevertheless, we have taken up the matter in the GATT Council, in the meetings of the Uruguay Round Negotiating Groups as well as in the Surveillance Body established in the Uruguay Round to voice our concerns. We have also been eliciting support for condemnation of the US action from other countries bilaterally. India's stand has received wide support and the US action has been criticised by both developed and developing countries in various fora. The US Government has not yet approached us for negotiations in the context of Super 301. We have, however, made it clear that Government of India will not participate in any negotiations, bilateral or otherwise, under threat of retaliation. Government is also opposed to negotiations establishing linkages between multilaterally agreed concessions in trade in goods and changes in policy